

## IN THE SPECIFICATION

Please amend the specification as follows:

1. Amend paragraph [0006] on page 2, lines 10-20, as follows:

--The present invention is directed to a method and system, which minimizes potential latency problems associated with the use of PSDs. To practice this invention, a specialized Application Programming Interface (API) level program is incorporated into the PSD control software, hereinafter called a cache server, of a client. The cache server is provided with exclusive access rights to an associated PSD by locking the PSD interface I/O port of the client to the cache server following successful validation of the end user's personal identification number (PIN) or any equivalent technique (e.g. biometrics), which may be used to authenticate the PSD to the end user. Once the cache server has access to the PSD, the cache server securely transfers the available contents of the card to a secure cache established in volatile memory of the client. The cache server may be programmed in any high language such as C, C++ or Java.--

2. Amend paragraph [0031] on page 5, lines 18-27, as follows:

--In this depiction, the cache server 115 has locked the I/O port 145 associated with the PSD to itself and initiated a secure

data transfer 150 from the secure domain 155 of the PSD. The PSD data is shown including the organized data access levels of A 40, B 50 and C 60. This data is transferred through the locked I/O port 145 and into 130 the cache server 115. The cache server, using a pre-determined session key generated by the cryptography module 112 encrypts the data being transferred and allocates storage space in volatile memory to securely store the data in the cache 165. Allocations of the PSD I/O port 145 and memory locations allocated for the secure cache 165 remain locked to the cache server 115 via link 120. Requests for data contained in the PSD are intercepted and serviced by the cache server 115.--

3. Amend paragraphs [0036] and [0037] on page 6, lines 21-32, as follows:

--The cache server is now available to service data requests and awaits an incoming data request 422. Upon receipt of an incoming request 424, the cache server verifies the requesting program's access rights 426. The validation routine 428 determines if the access rights are sufficient to allow transfer of the data from the cache to the requesting program. If insufficient access rights exist 430, the process ends 448. If sufficient access rights exist 432, the cache server decrypts 434 the requested data and transfers 436 the data to the requesting program.

If a status change 438 is encountered ~~438~~ 442 such as logout of the end user, attempted login of another user, rebooting of the computer, or upon encountering an error situation, the secure cache is flushed 444, the memory allocation released 446 from exclusive cache server use and the process ends 448. If no status change is encountered 440, the cache server awaits 422 for another PSD data request as before.--